<u>REMARKS</u>

Status of claims

Claims 49, 50, 62 – 217 were previously pending in this applications. The present amendment amends claims 49, 62, 64, 97-112, 116, 114, 149-164, 166, 168, 171-185, 201-216, 221, 223, 224, 226, 227 and adds new claims 228-232.

Reply to "Notice of Non-Responsive Amendment", dated June 4, 2007

A Notice of Non-Responsive Amendment was mailed on June 4, 2007 ("Notice"). In the Notice the Examiner contends that certain claims of the present application are not entitled to the priority date of U.S. Patent application No. 08/787,979 ("the '979 Application"), now U.S. Patent No. 6,285,987 ("the '987 Patent"), and as a result, Applicant failed to effectively respond to the rejection set forth in the Office Action dated August 15, 2006.

The claims at issue are 97-111, 149-163, 201-215, 221 and 223, each of which includes the limitation, "wherein the selection of the selected bid is based on the selected bid being determined in the computer system as having a highest beneficial value".

The Examiner notes that the above limitation is "to be interpreted broadly enough as to incorporate the ability to include parameters that detail the effectiveness of the advertisement in the bid selection logic". While, the "effectiveness parameters" is disclosed in the specification of the instant application (at ¶¶ 0204 et seq.), it is not disclosed in the '979 Application. As such, the Examiner notes that the claims at issue are not entitled to the priority date of the '979 Application.

With the present amendment, claims 97-111, 149-163, 201-215, 221 and 223, are amended to now read: "wherein the selection of the selected bid is based on the selected bid being determined in the computer system as having a highest beneficial value over respective beneficial values of other [...] bids".

28

Reply to "Notice of Non-Responsive Amendment", mailed June 4, 2007

December 4, 2007

Applicant respectfully would like to point out that the "effectiveness parameter" cited by the Examiner, is unrelated to the "beneficial value" feature recited in the claims at issue. The "effectiveness parameters" feature is an optional parameter that an advertiser can include along with the advertiser's bidding criteria. The "effectiveness parameter" indicates an advertiser's desire that a bid should only be selected by the system if the bid also meets a "selection schedule" provided by the advertiser. The "selection schedule" is based on the comparative effectiveness of the advertisement across a number of predetermined websites. The system disqualifies a given bid when such bid does not meet the advertiser-provided "selection schedule". However, whether or not the system disqualifies a bid, based on the advertiser-provided "selection schedule", it has nothing to with to do with the comparative effectiveness of advertisements associated with other advertisers.

On the other hand, the phrase "highest beneficial value over respective beneficial values of other bids" simply denotes that the selected bid is determined by the system to result or expecting to result in the most revenue for the system operator, the web site owner and/or other beneficiaries of the underlying advertising opportunity. While there are a number of methods the system can employ for determining the beneficial values of the submitted bids, based in-part on the underlying embodiments. However, this characteristic is clearly inherent in the disclosed embodiments of the '979 Application, issued as the '987 Patent. (See e.g. col. 2, lines 20 – 47; col. 2, line 66 – col. 3, line 2; col. 4, line 57 – col. 7, line 33 of the '987 Patent). In particular, according to the disclosed embodiments, the "beneficial value" of each bid can generally correspond to the actual amount included in the bid. The bid with the highest amount is the bid with the highest "beneficial value".

Accordingly, the claims at issue are entitled to the priority of the filing date of the '897 Patent.

The present amendment also amends claim 49 pursuant to the Examiner's suggestion articulated in the Notice.

Claim Construction

The following section supplements corresponding sections included with prior amendments. It should be understood that the pending claims (except claims 226 and 227) are to be construed such that the system does not necessarily collect and maintain information about viewers, web pages and websites. Information about viewers, web pages and/or websites may be determined in real time. Nor should the claims be limited as to the manner and form of maintaining the advertisements. Thus, each advertisement may be stored in an individual file, or alternatively multiple advertisements may be maintained in a database. It should further be understood that the claims are to be construed such that a single request for content may be indicative of one or more advertising opportunities.

The phrase "each set of bidding parameters being associated with one or more of the plurality of advertisements" means that more than one advertisement may be associated with a set of bidding parameters. The bidding parameters may indicate that the system is to display the advertisements in a sequence each time a particular viewer who meets criteria of the bidding parameters is encountered (see spec. ¶ 0119). Alternatively, the bidding parameters may be indicative of other criteria for when to display which of the associated advertisements.

The term "specific event occurs" means that a specified event such as a display or click-through occurs to an advertisement associated with the bid. The term "same respective event", means that the event that triggers payment is a same respective event for all bids. For example, the same respective event may be a serving of respective advertisements associated with the bids, or the same respective event may be a click-through on respective advertisements associated with the bids. Alternatively, the same event is a 2-minute display of respective advertisements associated with the bids (However, a 1-minute display of an associated advertisement for one bid and a 2-minute display of an associated advertisement of a second bid, are essentially not "same respective events").

Inventorship

An Information Disclosure Statement was filed on March 5, 2007. Citation G, entitled "Roth's Transmittal of Preliminary Statement and Notice", is a copy of a submission in Interference No. 104,443 related to the '979 Application. The document states that the named inventors, David Roth and Dylan Salisbury, jointly conceived the invention on or before June 1, 1996. Attached to the document is a copy of a specification, with a revision date of July 14, 1996. The specification was authored by one of the inventors, David Roth, who was then the CTO of Flycast Communications Corp. ("Flycast"), the original assignee of the present application.

It has come to the attention of Applicant (the current assignee) that Dylan Salisbury joined Flycast, only as of August 1996. Therefore, Applicant in communication with Mr. Salisbury, evaluated whether Mr. Salisbury can be deemed a joint-inventor of the present application. After careful review, Mr. Salisbury believes he is a joint inventor *at least* as to subject matter of dependent claims 34, 46 and 59, presented in the amendment of July 27, 2005, for which Mr. Salisbury executed an inventor's declaration. While claims 34, 46 and 59 are cancelled, the subject matter of these claims is again presented in new claim 231 and 232.

Applicant respectfully requests the Examiner to take note of this inventorship issue and to advise Applicant if any further action by Applicant is deemed necessary.

Related Applications

The present application is related to: (1) Appl. No. 10/655,549, an application for reissue of the '987 Patent; (2) Appl. No. 09/372,416, a continuation-in-part of the '979 Application. Both of said related applications are undergoing active examination. The present application is also related to a number of continuation applications, for which the examination process has yet to begin.

CONCLUSION

In view of the foregoing remarks, the present application is believed to be in condition of allowance. For any outstanding issues concerning the present application the Examiner is respectfully requested to contact the undersigned at the number listed below.

Dated: December 4, 2007

Respectfully submitted,

/Benzion A. Wachsman/

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^{*} A statement under 37 CFR § 3.73(b) is being concurrently submitted.